

EXHIBIT 16

WATTS GUERRA LLP
Mikal C. Watts
70 Stony Point Road, Suite A
Santa Rosa, California 95401
Phone: (707) 241-4567
2561 California Park Drive, Suite 100
Chico, California 95928
Phone: (530) 240-6116
Email: mcwatts@wattsguerra.com

Attorneys for Numerous Wild Fire Claimants

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:
PG&E CORPORATION
- and -
PACIFIC GAS AND ELECTRIC
COMPANY,
Debtors.

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11
(Lead Case)
(Jointly Administered)

**DECLARATION OF MIKAL WATTS
REGARDING WILLIAM B. ABRAMS
MOTION TO DESIGNATE
IMPROPERLY SOLICITED VOTES
PURSUANT TO 11 U.S.C. §1125(B) AND
1126(E) AND BANKRUPTCY RULE 2019**

☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Date: April 27, 2020
Time: 10:00 a.m. (Pacific Time)
Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
450 Golden Gate Avenue
San Francisco, CA 94102

Re: Docket No. 6799, 6964, 6963

DECLARATION OF MIKAL WATTS

Mikal Watts declares the following pursuant to 28 U.S.C. § 1746:

1. I am an attorney at the law firm of WATTS GUERRA LLP.

2. WATTS GUERRA represents over 16,000 unique individuals who timely filed
Notices of Claim by this Court's amended Bar Date of December 31, 2019.

1 3. Watts Guerra's standard retention agreement makes a disclosure that the firm
2 represents multiple clients, and secures permission to do so:

3 **MULTIPLE CLIENTS.** Client understands and agrees that the Firms may
4 be representing more than one client in this matter and that the following
5 aspects of joint representation have been disclosed: (1) that the Client might
6 gain or lose some advantages if represented by separate counsel; (2) that the
7 Firms cannot serve as an advocate for one client against another client, but
8 must assist all clients in pursuing their common purposes; (3) that the Firms
9 must deal impartially with every client; (4) that information received by the
10 Firms from or on behalf of any jointly represented client concerning the
11 matter may not be confidential or privileged as between the jointly-
12 represented clients and may be disclosed to other jointly-represented clients as
13 is deemed proper or necessary; (5) if a conflict arises between clients that
14 results in the discharge or withdrawal of the Firms, the Firms might not be
15 able to continue representing any of the clients involved; and (6) that the
16 representation of all clients by the Firms will not necessarily expedite
17 handling of the matter or reduce associated attorneys' fees and expenses.
18 **Client consents to the Firms representing more than one client in this**
19 **matter.**

20 4. Almost every law firm in America has a credit line, and as a matter of course do
21 not disclose all of their lenders to their clients. WATTS GUERRA's credit facility is a normal
22 bank loan, like one that it and its predecessor entities have enjoyed for twenty-three years. It has
23 a typical four-year term, and not due until 2023. It has flat, non-usurious interest. Its debt
24 compounds annually, like a normal loan from a bank. It is not secured by personal guaranties of
25 the principals of the firm. The amount of the credit facility is less than 25% of the expected fees
26 calculated into the firm's borrowing base. It is not a "litigation financing" vehicle, whereby an
27 investor funds a project, and thereby earns a percentage of the fees earned from that project.
28 Rather, it is a facility from which WATTS GUERRA runs eight offices in multiple states, and
makes large investments in many mass torts at once across the United States, including tens of
thousands of Syngenta corn clients and 3M Earplug clients, thousands of Valsartan, Zantac and
JUUL clients, and large exposures to clients in the Opioids litigation and the COVID-19 business
interruption litigation.

1 5. WATTS GUERRA repeatedly has disclosed both orally and in writing to its entire
2 client base detailed information concerning its credit facility in detail, the assignees thereof whom
3 it met, and those with whom it negotiated whom were introduced to WATTS GUERRA by such
4 assignees, and repeatedly has passed those disclosures along to all its clients in writing, and also
5 publicly made such disclosures. The Declaration of Heather L. Rosing alleges these disclosures
6 are admissions that disclosure was necessary. They are not. We do not believe the disclosures
7 were required by the rules of ethics, but simply disclosed the information because we try to keep
8 our clients fully informed. From the date of the North Bay Fires in October of 2017, through the
9 Camp Fire in November of 2018, through the refinance of my firm's credit facility with Stifel,
10 through the Kincade fire in October of 2019, to the present, I have always believed that I "will be
11 able to provide competent and diligent representation to each affected client," and I do continue
12 to provide that competent and diligent representation to each affected client. In my professional
13 opinion, my firm's loan did not create a likelihood that a difference in interests between my
14 clients and my firms finances would exist or would eventuate. In my professional opinion, there
15 has been neither the likelihood nor did it come to pass that my firm's loan materially limited
16 representation of my clients, nor my independent professional judgment in considering
17 alternatives or foreclose courses of action for my clients. Not only was there no likelihood of the
18 loan prospectively affecting my judgment, with the benefit of hindsight it in fact DID NOT
19 HAPPEN.
20
21
22

23 6. My firm and 17 other law firms negotiated and or signed the RSA on December 6,
24 2019. I signed the RSA like 17 other law firms because it was the best deal we could strike for
25 our clients and my firm's loan had nothing to do with my firm or 17 other firms believing our
26 clients' interests were best served by the agreement.
27
28

1 7. Neither I nor anyone at my firm negotiated any terms of the RSA with Apollo or
2 Centerbridge, the firm's assignee-lender of part of their loan.

3 8. Prior to initiating WATTS GUERRA's communications and ballot solicitation
4 plan for the voting period, I conferred with other plaintiffs' counsel, counsel for the Debtor and
5 counsel for the equity holders, and confirmed that the plan summary, the written disclosure
6 statement was to be transmitted to the fire survivors by March 31, 2020.

7 9. No solicitation of such votes to fire survivors represented by WATTS GUERRA
8 occurred until such disclosure statement and other court-ordered materials were transmitted to
9 WATTS GUERRA's clients.

10 10. No significant risk of its representation of its clients being materially limited arose
11 from WATTS GUERRA's credit facility.

12 11. I affirm that the facts set forth in this declaration are true and correct.

13 Dated May 8, 2020

14 Respectfully submitted,

15
16
17 /s/ Mikal C. Watts
18 Mikal C. Watts
19 WATTS GUERRA LLP
20 70 Stony Point Road, Suite A
21 Santa Rosa, California 95401
22 Phone: (707) 241-4567
23 2561 California Park Drive, Suite 100
24 Chico, California 95928
25 Phone: (530) 240-6116
26 Email: mcwatts@wattsguerra.com

27 Attorney for Numerous Wild Fire Claimants
28